



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

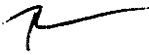
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January 8, 1997

TO: Minerals File

FROM: Tom Munson, Reclamation Hydrologist 

RE: Site Inspection, North Lilly Mining Company, North Lilly Project, M/023/007, Juab County, Utah

Date of Inspection: Thursday January 2, 1997  
Time of Inspection: 3:30 p.m. - 4:30 p.m.  
Conditions: Cold and cloudy  
Participants: Steve Alder and Dan Moquin (Attorney General's office); a North Lily Mining Company representative; Wayne Hedberg, Tom Munson, and Mary Ann Wright, DOGM

Purpose of Inspection: To inspect recent regrading of the heap

The heap was regraded starting the first part of October 1996 and was finished December 4, 1996. The weather experienced during the regrading process was unusually wet: .36 inches of rain and 11 inches of snow in October and 5.71 inches of rain and 13 inches of snow in November. As a result of this natural rinsing, the Wad Cyanide levels dropped to a level of 64 ppm from 90 ppm based on samples taken December 10th. It apparently takes 10-15 days for the water to travel through the pile.

It was noticed that due to the increased compaction from regrading and the new shape of the pile (long slopes), increased runoff and reduced infiltration may be a problem. Even though the cyanide levels are dropping, it may still be necessary to increase infiltration and bioremediate. The operator is aware of this potential problem and will track the cyanide levels very closely.

The compaction of the pile was apparent in walking around the site. A temporary dam had been placed in an area of snow accumulation to prevent too much runoff from getting to the ponds. The dam will be removed this spring.

After a walk around the pile and a tour of the plant, we left for Delta at 4:30 p.m.

